

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND

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Civil No.: 1:03-MD-01539

IN RE ROYAL AHOLD N.V.  
SECURITIES & ERISA LITIGATION

ALL SECURITIES ACTIONS

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**~~PROPOSED~~ ORDER GRANTING LEAD PLAINTIFFS' MOTION FOR INITIAL  
DISTRIBUTION OF THE NET SETTLEMENT FUND TO AUTHORIZED  
CLAIMANTS**

WHEREAS:

A. On November 27, 2005, Lead Plaintiffs, on behalf of themselves and all other persons and entities that purchased or received as dividends shares of Royal Ahold N.V. ("Ahold") common stock and/or American Depositary Receipts ("ADRs") during the period from July 30, 1999 through February 23, 2003, (the "Class Period"), regardless of where they live or purchased their Ahold shares (the "Class" or the "Class Members"), and Ahold, on behalf of itself and all other defendants named in the February 17, 2004 Consolidated Amended Securities Class Action Complaint (the "Complaint") (Docket No. 122) other than Deloitte & Touche Accountants and Deloitte & Touche LLP, entered into a settlement (the "Settlement") of the claims asserted in the above-captioned action (the "Action") in exchange for \$1,100,000,000 in cash, the terms of which are set forth in the January 6, 2006 Amended Settlement Agreement (the "Amended Agreement").

B. On January 9, 2006, the Court entered an Order (the "Preliminary Approval Order") (Docket No. 695), which, among other things: (i) certified the Class (as defined above) under Fed. R. Civ. P. 23(a) and (b)(3) for the purposes of the Settlement; (ii) preliminarily approved the Settlement as fair, reasonable and adequate pursuant to the terms and conditions of the Amended Agreement; (iii) preliminarily approved the proposed Plan of Allocation of Net

Settlement Fund Among Class Members (the “Plan of Allocation”) as fair, reasonable and adequate; (iv) approved the proposed form of Proof of Claim and Waiver and Release (“Proof of Claim” or “Claim”); (v) approved the proposed Form of Notice and Notice Plan; (vi) approved the Notice Administrator and Claims Administrator; (vii) scheduled a hearing for June 16, 2006 to consider whether to grant final approval of the Settlement (the “Settlement Fairness Hearing”); and (viii) directed that notice of the Class Certification, Settlement and Settlement Fairness Hearing be given to the Class.

C. Following the Court’s Preliminary Approval Order, Lead Counsel, the Notice Administrator, and the Claims Administrator began implementing the Notice Plan approved by the Court.

D. After the June 16, 2006 Settlement Fairness Hearing, the Court issued its Final Judgment and Order of Dismissal (the “Final Approval Order”) (Docket No. 764), which, among other things: (i) finally approved certification of the Settlement Class; (ii) finally approved the Settlement and the Plan of Allocation as fair, reasonable, and adequate; (iii) dismissed with prejudice the Class Members’ claims against the Specified Defendants, as defined therein; (iv) denied all objections to the Settlement; (v) directed the parties to consummate the Settlement in accordance with the terms and provisions of the Amended Agreement and the Plan of Allocation; and (vi) affirmed the Court’s continuing jurisdiction over matters relating to this Action, including the administration, effectuation, and enforcement of the Settlement.

E. The Court-appointed Claims Administrator, working with Lead Counsel, has completed the steps necessary for the Court to order an initial distribution of the Net Settlement Fund to Authorized Claimants, including, among other things: (i) disseminating Notice of the Settlement and information required to submit claims around the world in sixteen different

languages; (ii) answering tens of thousands of claimant inquiries by telephone, e-mail, and other means; (iii) maintaining a website ([www.AholdSettlement.com](http://www.AholdSettlement.com)) and a toll-free telephone call center devoted exclusively to the Settlement; (iv) working extensively with banks, brokerage firms, and other Nominees around the world to ensure that Notice of the Settlement and all appropriate claim documents were distributed to beneficiaries; (v) receiving and reviewing claim forms and electronic claims submitted by Class Members around the world; (vi) scanning, processing, and analyzing all of the transaction data that accompanied the claim forms; (vii) notifying claimants of deficiencies with their claim submissions and providing such claimants with multiple opportunities to correct such deficiencies; (viii) adapting standard procedures to accommodate claimants who submitted claims on unofficial claim forms disseminated in the Netherlands by the Vereniging van Effectenbezitters (the “VEB”); (ix) reviewing disputed claims; (x) conducting multiple quality assurance and fraud detection reviews and analyses; (xi) making determinations concerning the validity of claims submitted in accordance with the Plan of Allocation; (xii) coordinating with Dutch financial institutions to pay claimants in the Netherlands via wire transfer in Euros; and (xiii) calculating aggregate Recognized Claim amounts for Authorized Claimants in Fund A (the “Holder Pool”) and Fund B (the “Seller Pool”) of the Net Settlement Fund in accordance with the Plan of Allocation.

F. The Court has retained exclusive jurisdiction over the Action, Class Members, Authorized Claimants, and any other person asserting or purporting to assert an interest in the Action, the Settlement, or the Net Settlement Fund, including the administration, interpretation, effectuation, or enforcement of the Settlement.

G. The Court has read and considered Lead Plaintiffs’ Motion For Initial Distribution of the Net Settlement Fund to Authorized Claimants (the “Motion”) dated September 26, 2007,

the Memorandum of Law filed in support thereof, the Affidavit of Stephen J. Ciriemi (the "Ciriemi Affidavit") of the Court-appointed Claims Administrator filed in support thereof, the Affidavit of Andrew J. Entwistle filed in support thereof (the "Entwistle Affidavit"), all other supporting documents and materials filed with the Motion, and finds that substantial and sufficient grounds exist for entering this Order.

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

1. To the extent not otherwise defined herein, all capitalized terms shall have the meanings attributed to them in the Amended Agreement and/or in the Court's Final Approval Order.
2. The Court has exclusive jurisdiction over the subject matter of the Action, Class Members, Authorized Claimants, and any other person asserting or purporting to assert an interest in the Action, the Settlement, or the Net Settlement Fund, including the administration, interpretation, effectuation, or enforcement of the Settlement.
3. The Court adopts the Claims Administrator's administrative determination to accept the 228,138 Claims submitted by Authorized Claimants, including the 13,776 Claims postmarked after September 18, 2006, as set forth in Exhibits D-1 and D-2 to the CD-ROM attached as Exhibit D to the Ciriemi Affidavit.
4. The Court adopts the Claims Administrator's administrative determination to reject the 47,508 wholly ineligible claims set forth at Exhibit D-3 on the CD-ROM attached as Exhibit D to the Ciriemi Affidavit.
5. The Court will consider the Claims Administrator's administrative determination to reject the 49 Claims submitted by Claimants who have requested judicial review of the Claims Administrator's determination to reject his/her/its Claim ("Disputed Claims") identified at

Exhibit B to the Cirami Affidavit in connection with a motion to be filed by Lead Plaintiffs and Lead Counsel after the Claims Administrator completes the Initial Distribution defined herein.

6. Lead Counsel and the Claims Administrator are authorized to distribute 95% of the Net Settlement Fund (the “Initial Distribution”) to Authorized Claimants pursuant to the Plan of Allocation.

7. Lead Counsel is authorized to establish a reserve fund (the “Reserve”) equal to 5% of the Net Settlement Fund to address contingencies, such as: (i) paying any remaining taxes due on interest earned by the Settlement Fund; (ii) correcting claim payments for any Authorized Claimant who establishes that his/her/its initial claim payment was mistakenly calculated; (iii) making a distribution to any Claimant with a Disputed Claim that is later determined to be wholly or partially valid or who subsequently convinces this Court and/or the Court of Appeals for the Fourth Circuit that his/her/its claim was mistakenly rejected; (iv) making a distribution to any Claimant who cures an identified deficiency in his/her/its submitted Claim; (v) making a distribution to any Authorized Claimant that has not yet filed his/her/its Claim, but does so before the Court-ordered cut-off date set forth in paragraph 8 below; (vi) paying Claims-In-Process, as identified in Exhibit C to the Cirami Affidavit, that the Claims Administrator determines to be valid; (vii) paying the request for reimbursement filed by the NVB on behalf of the Dutch Banks identified in Lead Plaintiffs’ August 9, 2007 Report to the Court (Docket No. 881); and (viii) paying any amount of the VEB’s Reimbursement Request, as discussed in Lead Plaintiffs’ and Lead Counsel’s August 9, 2007 Report to the Court (Docket No. 880), that the Court determines to be appropriate.

8. No future Claim for payment from the Net Settlement Fund will be considered if it is postmarked more than fourteen (14) days after the date of this Order, and any and all Claims received after that date are forever barred from participating in the Settlement.

9. Before commencing the Initial Distribution of the Net Settlement Fund, Lead Counsel shall issue a press release announcing that the Initial Distribution is being made (in each of the sixteen languages into which Claim Packets were translated) in substantially the same form set forth at Exhibit A hereto.

10. Each Authorized Claimant who receives an Initial Distribution payment via mailed check from the Net Settlement Fund shall simultaneously receive notice, in substantially the same form set forth at Exhibit B hereto, certain provisions of which shall be included in the press release referenced in paragraph 9 above for the benefit of Authorized Claimants who elect to receive their initial distribution payments via wire transfer.

11. The Claims Administrator may discard hard copies of Proof of Claim forms and supporting documents not less than 18 months after the date of this Order and the Claims Administrator may discard copies of such materials maintained in electronic form not less than three years after the date of this Order.

12. Copies of this Order shall be sent to counsel of record.

10/3/07  
Date

/s/ CCB  
Hon. Catherine C. Blake  
United States District Judge

# **Exhibit A**

New York, New York USA – October \_\_, 2007

**Important Information for Claimants in the Ahold  
Securities Class Action Settlement**

Entwistle & Cappucci LLP, Lead Plaintiffs' counsel appointed by the United States District Court for the District of Maryland, issues this informational release concerning claims submitted to participate in the Settlement of the class action against Royal Ahold N.V. ("Ahold") in the United States.

Pursuant to a \_\_\_\_\_, 2007 Order issued by the Honorable Catherine C. Blake of the United States District Court for the District of Maryland, the Court-appointed Claims Administrator will begin distributing payments from the Ahold Net Settlement Fund to Class Members who submitted valid and supported claim forms. Class Members will receive their Settlement Payments by check or by wire transfer. Claimants who did not receive a notice from the Claims Administrator indicating that their claim would be rejected should monitor their mail or their bank account for their Settlement Payment.

The Settlement Payments authorized by the Court's \_\_\_\_\_, 2007 Order represent an initial distribution of the Ahold Net Settlement Fund. If your Settlement Payment is more than \$300 (approximately € 212.00) you will receive a second Settlement Payment within the next approximately 12 months.

The Ahold Settlement Fund is a "Qualified Settlement Fund," as defined in United States Treas. Reg. Section 1.468B-1 through 5. The tax treatment of your Settlement Payment will vary based upon your tax status and treatment of your investments. Therefore, we cannot determine the appropriate tax reporting for all recipients and we cannot provide individual tax advice. The tax treatment of distributions from the Net Settlement Fund is the responsibility of each recipient. You should consult your tax advisor to determine the tax consequences, if any, of your Settlement Payment.

Claimants receiving their Settlement Payment by check must cash their check promptly as it will become void 180 days after the date of issue. If you have changed your address, or if you have any questions, you may contact the Claims Administrator by calling one of the numbers provided on the attached sheet or writing to the address below:

*In re Royal Ahold N.V. Securities and Erisa Litigation*  
c/o The Garden City Group, Inc.  
Claims Administrator  
P.O. Box 9000 #6378  
Merrick, NY 11566-9000  
U.S.A.



# **Exhibit B**

In re Royal Ahold N.V. Securities and Erisa Litigation  
c/o The Garden City Group, Inc.  
Claims Administrator  
P.O. Box 9000 #6378  
Merrick, NY 11566-9000

Batch No:  
Check No:  
Check Date:  
Claim No:

[Name\_Line\_1]  
[Address\_Line\_1]  
[Address\_Line\_2]  
[Address\_Line\_3]  
[Address\_Line\_4]  
[City], [State] [Zip][+4]  
[Country Name]  
|||||

<p><b>ENTWISTLE &amp; CAPPUCCI LLP</b>  <b>280 Park Avenue, 26th Floor West</b>  <b>New York, New York 10017</b></p>
<p>Lead Counsel</p>

Dear Authorized Claimant:

The above award represents your *pro rata* share of the Net Settlement Fund for the *In re Royal Ahold N.V. Securities and Erisa Litigation*. Your Claim was calculated in accordance with the Plan of Allocation sent to you with the Proof of Claim and Release form that you submitted, which may also be obtained at [www.aholdsettlement.com](http://www.aholdsettlement.com)

The Net Settlement Fund has been allocated to all Authorized Claimants who purchased Royal Ahold N.V. ordinary shares and/or American Depositary Receipts during the class period of July 30, 1999 through February 23, 2003, including persons and entities that received such shares or ADRs as a dividend as follows: (i) 90% of the Net Settlement Fund has been allocated to those Authorized Claimants which held shares as of February 23, 2003 ("Fund A"); and (ii) 10% of the Net Settlement Fund has been allocated to those Authorized Claimants which sold shares at a loss prior to February 23, 2003 ("Fund B"). Please be advised that approximately 228,138 valid Proof of Claim and Release forms were submitted, representing total Recognized Claims of approximately (i) \$10.6 billion allocated from Fund A and (ii) \$4 billion allocated from Fund B.

The Net Settlement Fund available for this initial distribution is approximately { \$ } million, and approximately { \$ } has been reserved for contingencies and will be redistributed at a later date. Please note that if your settlement payment is more than \$300 (approximately € 212.00) you will receive a second Settlement Payment within the next { } months.

The *In re Royal Ahold N.V. Securities and Erisa Litigation* Settlement Fund is a "Qualified Settlement Fund", as defined in Treas. Reg. Section 1.468B-1 through 5. Please note that the regulations provide in part that "whether a distribution from a Qualified Settlement Fund is included in the claimant's gross income is generally determined by reference to the claim in respect of which the distribution is made and as if the distribution were made directly by the transferor."

The tax treatment of this distribution varies based upon the recipient's tax status and treatment of his, her or its investments. Therefore, we cannot determine the appropriate tax reporting for all recipients and we cannot provide individual tax advice. The tax treatment of distributions from the Net Settlement Fund is the responsibility of each recipient. You should consult your tax advisor to determine the tax consequences, if any, of this distribution to you.

Please cash this check promptly as it becomes void 180 days after the date of issue. If you have changed your address from the address on the accompanying distribution, or if you have any questions regarding your claim, you may contact the Settlement Administrator by calling one of the numbers provided on the attached sheet or writing to the address below:

*In re Royal Ahold N.V. Securities and Erisa Litigation*  
c/o The Garden City Group, Inc.  
Claims Administrator  
P.O. Box 9000 #6378  
Merrick, NY 11566-9000  
U.S.A.

Thank you.